

# County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION LOS ANGELES, CALIFORNIA 90012 (213) 974-1101 http://ceo.lacounty.gov

May 27, 2008

Board of Supervisors GLORIA MOLINA First District

YVONNE B. BURKE Second District

ZEV YAROSLAVSKY Third District

DON KNABE Fourth District

MICHAEL D. ANTONOVICH Fifth District

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

DEPARTMENT OF PUBLIC WORKS: AWARD OF CONSTRUCTION CONTRACT FOR LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY, NEW WELL NOS. 4-70 AND 4-71 AND WELLHEAD FACILITIES, DRILLING AND EQUIPPING OF TWO WATER WELLS IN THE CITY OF LANCASTER (SUPERVISORIAL DISTRICT 5) (3 VOTES)

#### **SUBJECT**

This action is to award a public works construction contract and authorize the Acting Director of Public Works to execute the contract with the contractor for work in the City of Lancaster for drilling and equipping of two water wells.

## IT IS RECOMMENDED THAT YOUR BOARD:

Award and authorize the Acting Director of Public Works or his designee to prepare the construction contract in the form previously approved by County Counsel, execute the contract, and establish the effective date following receipt of approved Faithful Performance and Labor and Material bonds filed by the contractor for the following:

 Project ID No. WWD4004031 - New Well Nos. 4-70 and 4-71 and Wellhead Facilities, Drilling and Equipping of Two Water Wells, to drill and equip two water wells, City of Lancaster (5), Bakersfield Well & Pump Co., in amount of \$3,193,071.00.

#### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to obtain your Board's approval to award this construction contract and authorize the Acting Director of Public Works or his designee to execute the contract and establish the effective contract date following receipt of approved bonds and insurance filed by the contractor for this project.

The attachment includes the project description, the call for bids and bid opening date, a tabulation of bids, and financial information. The certified record of receipt of bids and the original bid proposal are also attached including addenda to the contract specifications for this project.

The recommended construction contract is necessary to execute a Board-directed and approved Department of Public Works project for construction of two new groundwater wells. The wells are needed to provide additional groundwater supply to meet high expected summer demands for the customers of Waterworks District No. 40, Antelope Valley. Additionally, the wells will reduce the impacts of temporary reductions in water deliveries from the State Water Project due to continuing dry conditions and court-ordered restrictions of Delta water exports. Your Board's approval of the recommended contract award and the subsequent execution of the contract will ensure the timely completion of the project.

#### Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs that we provide Service Excellence (Goal 1) and Community Services (Goal 6). Awarding this contract will provide improved infrastructure to better serve the public and will enhance the quality of life in the affected community.

#### FISCAL IMPACT/FINANCING

The recommended contract amount of \$3,193,071.00 will have no impact to the County General Fund.

The attachment includes the amount of the recommended contract as compared with the engineer's estimate and the other bids received.

Sufficient funds to cover the cost of this project are included in the Fiscal Year 2007-08 Accumulative Capital Outlay Fund of Waterworks District No. 40, Antelope Valley.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The contract agreement will be in the form previously reviewed and approved by County Counsel. The recommended contract was solicited on an open competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the Chief Executive Officer's and your Board's requirements.

This contract contains terms and conditions supporting your Board's ordinances, policies, and programs, including but not limited to: County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code Chapter 2.202; and the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and the standard Board-directed clauses that provide for contract termination or renegotiation.

The State Public Contract Code requires the County to award construction contracts to the lowest responsive and responsible bidder, which is defined as the firm that; (1) submits the bid with the lowest cost; (2) is deemed by the County to be responsive to specific criteria under the solicitation, including, but not limited to licensure, bonding, and insurance requirements; and (3) is determined by the County to be a responsible bidder by exhibiting the capability, capacity, experience, trustworthiness, and financial wherewithal to perform the work required under the bid solicitation.

To ensure the contract is awarded to the lowest responsible contractor with a satisfactory history of performance, bidders are required to report violations of the False Claims Act, criminal convictions, civil litigation, defaulted contracts with the County, complaints filed with the Contractor's State License Board, labor law/payroll violations, and debarment actions. As provided for in Board Policy No. 5.140, the information reported by the contractor was considered before making this recommendation to award.

On February 19, 2008, your Board adopted the plans and specifications for the project and instructed the Executive Officer of your Board to advertise the project and call for bids to be received on March 18, 2008. The plans and specifications include the contractual provisions, methods, and material requirements necessary for this project and are on file with the Department of Public Works.

#### **ENVIRONMENTAL DOCUMENTATION**

On February 19, 2008, your Board approved the Mitigated Negative Declaration for this project.

## **CONTRACTING PROCESS**

The contract was solicited on an open competitive basis in accordance with the provisions of the Public Contract Code.

The State Labor Code requires contractors to pay prevailing wage rates to all persons employed on public works construction contracts. These rates are determined by the Department of Industrial Relations and include contributions for fringe benefits such as vacations, pension funds, training, and health plans for each employee.

To further increase contractor awareness of contracting opportunities with the Department of Public Works, this project was listed on the County website for upcoming bids.

The Department of Public Works will review and approve the faithful performance and payment bonds filed by the contractor.

## IMPACT ON CURRENT SERVICES (OR PROJECTS)

This construction contract will result in improved public works infrastructure in the community where the work is scheduled.

## **CONCLUSION**

Please return one adopted copy of this letter to the Department of Public Works, Construction Division.

Respectfully submitted,

WILLIAM T FUJIOKA Chief Executive Officer

WTF:DDE JTS:ss

Attachment

c: County Counsel
Office of Affirmative Action Compliance

## AWARD OF CONTRACT May 27, 2008

PROJECT ID NO. WWD4004031 - NEW WELL NOS. 4-70 AND 4-71 AND WELLHEAD FACILITIES, DRILLING AND EQUIPPING OF TWO WATER WELLS (City of Lancaster), Supervisorial District 5

TYPE OF WORK: Drilling and equipping of two water wells and other appurtenant work.

<u>CALL FOR BIDS DATE</u>: February 19, 2008 (Agenda Item 26)

BID OPENING DATE: April 8, 2008

#### **BID SUMMARY:**

Low Zim Industries, Inc., a corporation dba

Bakersfield Well & Pump Co.
7212 Fruitvale Avenue
Bakersfield, California 93308
(661) 393-9661

\$3,193,071.00

2	+Rottman Drilling Co.	\$3,517,020.00
3	South West Pump & Drilling, Inc.	\$4,722,240.00

+LSBE

#### **FINANCIAL INFORMATION:**

Amount of estimate	٧	\$2,627,165.92
Amount of recommended contract		\$3,193,071.00
Amount of recommended contract above estimate		\$ 565,905.08

The amount of the recommended contract is 22 percent above the estimate, which was based on recent average contract prices for similar items of work. While the bid price is higher than the estimate, after review of the prices we believe readvertising the project will result in increased contract administration costs with no guarantee that lower bids will be received. Therefore, we recommend award of the contract to the low bidder.

Sufficient funds to cover the cost of this project are included in the Fiscal Year 2007-08 Accumulative Capital Outlay Fund of Waterworks District No. 40, Antelope Valley.

## MINORITY/WOMEN-OWNED BUSINESS ENTERPRISE DATA:

Bakersfield Well & Pump Co. has no MWBE subcontractors/suppliers under this contract.

## **ENVIRONMENTAL IMPACT:**

The Mitigated Negative Declaration together with the comments received during the public comment period for this project were prepared in accordance with the California Environmental Quality Act Guidelines and the County Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987. Your Board approved the Mitigated Negative Declaration together with the public comments on February 19, 2008.

## **CONSTRUCTION SCHEDULE:**

The contract specifications require the work to be completed in 200 calendar days. It is estimated the work will start in July 2008 and be completed in February 2009.

TKB:en